



CALPEEK

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32nd CD Update: LOTS OF ACTION TAKING PLACE OUT OF PUBLIC VIEW IN THIS SPECIAL ELECTION.

Editor's note: With the filing deadline at the end of the month (Feb. 26th), there's lots of action taking place in this April 10th special election primary to fill the 32nd CD seat of the late Julian Dixon(D-L.A.). The only problem is that the action is *hidden from public view*. Here's our update & analysis...

...A few weeks ago Calpeek noted that U.S. Rep. Maxine Waters(D-L.A.) and L.A. Co. Sup. Yvonne Burke were united in one thing: neither wanted Dixon's seat to go to former U.S. Ambassador Diane Watson. But according to one well placed insider, "There are lots of political games being played in this special. Nothing would surprise me."...

...Thus while Waters is in DC working behind the scenes trying to get the Congressional Black Caucus(CBC) to unite behind a single consensus candidate, our sources are hearing that Burke is being wooed by Watson – a *reconciliation*. The two have had a very chilly relationship since '92, when Burke defeated Watson for the L.A. Co. Bd. of Supes job previously held by the late Kenny Hahn. Don't know that anything will come of this reconciliation effort, but at least the Watson team is trying...

...According to Roll Call, the "consensus" candidate that Waters is pushing is State Sen. Kevin Murray. If this is the case, Burke might just take a pass. Sources say she's tangled with Murray in the past. That may be why the Watson team is trying to mend fences with Burke. FYI: It appears Murray also is the choice of U.S. Reps. Howard Berman and Henry Waxman. Kevin's father, former Assemblyman Willard Murray was a Berman ally and sources say that B-W promised to back Murray IF Bettye Dixon wasn't running. She's not...

...And this same Roll Call story by John Mercurio also suggests that Demo Assemblyman Rod Wright may not run. Sources say Wright is still undecided. If he were to run, consultant Gale Kaufman would handle his campaign. FYI: consultant Richie Ross is aboard Murray's campaign hand-

ling mail, with consultant Dermont Givens handling daily management in the L.A. HQ...

...As noted in last week's issue, Watson is definitely running for the 32nd CD. She has hired Leo Briones as her lead consultant, with Fairbank, Maslin, Maullin on polling and Sue Burnside working field ops. Sources say FM&M is in the field now with a poll. Results should be out by Feb. 1st or 2nd – after Calpeek's deadline. There have been at least two other polls taken (much earlier) and sources say they show Watson as the frontrunner, with L.A. Councilman Nate Holden in 2nd place. Wright and Murray, as well as L.A. Councilman Mark Ridley-Thomas and attorney Leo Terrell are in single digits. Stay tuned...

IN CALIFORNIA POLITICS, IT'S FOLLOW THE MONEY

Next week Calpeek will focus on political campaign contributions. Reports come out on Jan. 31st – after our deadline. We'll have info on 2002 political candidates, as well as funding reports from the L.A. City Election...

CAMPAIGN 2002: CALIF. BOARD OF EQUALIZATION.

Editor's note: Calpeek readers know that the Calif. Board of Equalization is the State's key *taxing authority*, which collects some \$30 billion in taxes for State & local government. And the BOE also sets the *property tax* for all of Calif.'s *utilities* – not just PG&E and SCE, but also for pipelines, flumes, canals, aqueducts & telephone lines. The BOE was created in 1879. It consists of four elected members, plus the State Controller. The four BOE members are subject to term limits and just like the U.S. House and Calif. Legislature, once every 10 years the four BOE districts are reapportioned. Here's our brief update...

...Mention the BOE to anyone but a political insider and you're likely to get a blank stare. Mr. & Mrs. John Q. Public hasn't really got a clue, probably because the name Board of Equalization really doesn't give a hint as to what function they perform. It's very much like the Texas State Railroad Commission – it doesn't regulate RRs, but rather the oil industry. And with 32 million Californians, each of

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the 4 BOE members represents 8 million people. Some think there should be a major reform of the BOE, such as increasing the membership to 8 members and changing the name to something which fits the function: Calif. Tax Commission...

...Two BOE members, Demo John Chiang and GOPer Claude Parrish, will seek reelection in 2002. Chiang's 4th District takes in most of the L.A. County area, while Parrish's 3rd District takes in Orange, San Diego, Riverside & Imperial Counties, plus a tiny sliver of L.A. Co. Haven't heard of any primary challenges to either – as of now...

...Two other BOE members are *termed out* and may end up running against one another for Controller. Demo BOE member Johan Klehs' 1st District takes in just about all of Northern Calif. (including the S.F. Bay area) and runs down the coast to Monterey. GOP BOE member Dean Andal's 2nd District takes in everything else – from Sacramento in the north and down the Central Valley to San Bernardino...

...Most insiders are fairly sure these 4 BOE seats will remain evenly split after the new remapping: 2 Demo and 2 GOP seats – Chiang & Klehs (D) and Andal & Parrish (R). There's no guarantee that will happen. But if it does work out that way, here's the potential line up of candidates...

...For Andal's seat, there are at least 3 GOPers looking things over: Senate GOP Leader Jim Brulte of Rancho Cucamonga; State Sen. Dick Monteith from the San Joaquin Valley; and State Sen. Pete Knight from Palmdale. On the Demo side, State Sen. Jim Costa of Fresno is looking things over. Brulte will show a war chest of more than \$500,000 and sources say he's already locked up all of the key GOP slates. The question is whether his co-authorship of AB 1890 (the dereg bill) will come back to haunt him...

...For the Klehs seat, the list of potential candidates is huge. Many *termed out* Demo members of the Assembly from No. Calif. The list includes: Carole Migden of S.F., Kevin Shelley of S.F., Lou Papan of San Mateo, Dion Aroner from the East Bay and perhaps even Elaine Alquist from the San Jose area. Stay tuned...

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CAMPAIGN 2001: THE L.A. CITY COUNCIL PRIMARIES

Editor's note: This week Calpeek will focus on 2 L.A. City primary battles. The primary is April 10th, with a runoff on June 5th...

☒ **District 13** – This is the vacant council post of Jackie Goldberg, who was just elected to the State Assembly. There are 9 candidates seeking to replace Goldberg and what makes this primary so interesting is that there are many familiar names running: former 13th District Councilman Mike Woo; former Assemblyman Scott Wildman; Art Goldberg (Jackie's brother); Eric Garcetti (former DA Gil's son); Conrado Terrazas (a longtime Goldberg council aide); and Bennett Kayser. There are 3 lesser known candidates as well. One source called this contest *Woo & Who?*...

...Woo still has good name ID, but he hasn't appeared on a ballot for 8 years, when he ran and lost the mayor's race to Richard Riordan. Yet in a poll he took (polling by Fairbank Maslin, Maullin, 400 likely voters, Dec. 17-20), Woo pulls 30%. Wildman and Goldberg both pull 9%. Terrazas and Garcetti are both at 6%. About 5% goes to other candidates and 35% is undecided...

...Woo may have a leg up on the others, but there are those in the 13th who just don't like him. Wildman might seem to be in the best position to make a runoff with Woo, but his 43rd AD only took in 16% of the 13th – and Wildman was known as the Assemblyman from Burbank & Glendale, not L.A. Goldberg and Garcetti both have some name ID and sources say Garcetti is building a very solid field operation. Best long shot might be Terrazas. He's a gay Latino who has raised \$106,000 on his own...

☒ **District 5** – Another *termed out* familiar name is running here for Mike Feuer's open seat: former State Sen. Tom Hayden (D-West L.A.), who is now trying to make 5th District voters believe he's got Valley links. Hayden's last two years in Sacto were not productive, as Gov. Davis vetoed most of his bills. Hayden has 10 rivals and what this contest boils down to is who makes the June 5th runoff with the former State legislator. Among some city hall types there is definitely an *ABH* (Anyone But Hayden) feeling...

...The rivals include Sherman Oaks businessman and community activist Ken Gerston; attorney and Westside activist Nate Bernstein; Valley-based political consultant Jill Barad; education activist Robin Ritter Simon; federal prosecutor Jack Weiss; environmental and community activist Laura Lake; and entertainment executive Stephen Saltzman. There are 3 other candidates in the contest, but these are ones most

insiders take seriously. Of this group, Lake has run for the council several times before; Barad has lots of IOUs due her; and Weiss may be the best funded of Hayden's rivals. All of the serious candidates have some solid endorsements from groups and individuals...

...FYI: Simon's campaign did a survey and it shows Hayden pulling 33.2%. That's a low number for Hayden. The other serious candidates are bunched together in single digits. A little history: when Hayden ran for mayor against Richard Riordan 4 years ago, he got only 28% in the 5th District. So his election to this open seat isn't a slam duck. Stay tuned...

POLITICS OF THE ENERGY CRISIS: BY THE NUMBERS.

Editor's note: There is some additional data coming from pollster Mervin Field about Calif.'s energy crisis. This polling data was taken Jan. 12-16, among 1,001 Calif. adults. And we've got a **legal update** as well. The polling first...

◆ Rating the job performance of various entities during the energy crisis.

	<u>Good</u>	<u>Fair</u>	<u>Poor</u>
Gov. Davis	41%	31%	22%
CA PUC	20%	31%	42%
Energy Producers	20%	23%	44%
CA Legislature	19%	34%	36%
FERC	18%	29%	40%
CA Utilities (IOUs)	17%	26%	50%

...What's of interest here is that the IOUs(investor owned utilities such as SCE and PG&E) are still getting mashed in PR wars – and probably with some justification, given the latest news media disclosures (from audits)...

...Too bad Field didn't poll the public's reaction to President George W. Bush's first pronouncement about Calif.'s energy crisis, which was *politically incorrect* but accurate: Calif.'s PUC and Legislature created the mess, it's up to them to fix it. Trouble is the "mess" is beginning to spread throughout the entire Western U.S. That's why GWB finally wised up and put Veep Dick Cheney in charge of a new task force to increase the nation's energy supplies...

◆ Which concerns you more: threat of power blackouts or threat of higher electric rates? No contest on this question: Higher rates 65% vs. only 30% on blackouts...

...Now to the **key legal question**. Two weeks ago, in a legal action by SCE, Federal Judge Ronald Lew ruled that since the wholesale price of energy paid for by SCE (and PG&E) was approved by the Federal Energy Regulatory Commission, the costs (outrageously high) could be passed on to

consumers, dollar for dollar. Lew rejected the PUC's claim that SCE & PG&E, by signing off on AB 1890 (including a rate freeze to consumers), agreed to "eat" the wholesale costs of energy...

...Bottomline: according to our legal expert, because of this case, the State could be on the hook to the PG&E and SCE for *billions of dollars*. Gov. Gray Davis will have to decide how to handle this: let the ratepayer foot the bill or pay for it out of the State's general fund. If it comes from the general fund, it's not a bailout – but rather compliance with a judge's order. Stay tuned...

CAMPAIGN 2001: THE CAMPAIGN FOR L.A. MAYOR.

Editor's note: This is just a short update on some recent developments in the campaign to succeed Richard Riordan as mayor of L.A. The primary is April 10th...

● **Soboroff on TV** – On Jan. 30th unknown but *deep pocketed* Steve Soboroff began a week's worth of tv in the L.A. market. Our sources say the buy was small - \$90,000 on regular tv (centered mostly around a.m. and late p.m. tv news) and \$35,000 on cable. The spots don't exactly knock your socks off. And the line, "problem solver, not a politician" wears thin. The aim is to appeal to moderate and conservative voters because Soboroff is a registered GOPer. Soboroff's tv/media team is Trippi, McMahon & Squier...

...The exclusive story about Soboroff's first flight of tv ads was given to the L.A. Times. But one has to ask this question: where in L.A. is the biggest group of GOP voters? Answer: the San Fernando Valley – where the L.A. Daily News is still the newspaper of choice among GOPers. And why give such a nothing story on an exclusive basis? Dumb and a waste of a silver bullet...

● **Villaraigosa Gets Sierra Club** – The L.A. Chpt. of the Sierra Club has endorsed former Assemblyman Antonio Villaraigosa. Villaraigosa was in a battle for the endorsement with Controller Kathleen Connell, who urged club members to make a dual endorsement. No soap. A nice story about the Sierra Club endorsement in the L.A. Times, which Villaraigosa opponents now call *The Villaraigosa Gazette*...

● **The Wachs Watch** – Still no word on whom L.A. Councilman Joel Wachs will hire as his tv/media consultant. Two weeks ago he told Calpeek an announcement would be made "soon." Wachs is all over the place with news conference, but there's no focus or central them and that's what a media consultant can provide. The biggest complaint about Wachs' 1993 run for mayor is that the effort was unprofessional...

...Regardless, Calpeek sources say Wachs is doing very well with voters in the 5th Council District, where a poll for a council candidate shows Wachs leading with 37%, followed by 11% for Connell and 10% for L.A. City Atty. Jim Hahn. In the 13th Council District, Wachs is tied with Villaraigosa and U.S. Rep. Xavier Becerra: 17% each. Stay tuned...

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CALPEEK'S INFOBAHN: POLITICAL SHORT TAKES.

Editor's note: Here are a few items, political & otherwise, worth noting...

■ **24th SD Update** – This week it's former Assemblyman Martin Gallegos's turn to crow as he wins the endorsement of the Calif. Demo Party. Of the 105 delegates who voted last week, 82 went for Gallegos – the rest were mostly for Gallegos' key rival, Assemblywoman Gloria Romero. FYI: The Calif. Sec. of State has ruled that Gallegos can't use the title *Assemblymember/Businessperson* as his ballot designation...

■ **Stallings Quits San Diego Council** – Valerie Stallings has resigned from her city council post after pleading guilty to 2 misdemeanors – all in connection Stallings getting some gifts from *Padres* owner John Moores. No charges against Moores, as he did nothing wrong. Stallings didn't report the gifts and she voted in 1999 to approve the new downtown stadium for the *Padres*. Look for a special election April 17th. She served on the council for 9 years...

■ **Rightsizing Local Govt.** – It's a symposium with many experts about the *Future of Los Angeles*, Feb. 5, all day (8 a.m./4 p.m.) at the Sheraton Universal Hotel. It's all about what size and type of government works best at the local and regional level. Sponsor is the Economic Alliance of the San Fernando Valley. For info (818)782-7738...

■ **S.F.'s New PD** – PD as in Public Defender. The old one, longtime PD Geoffrey Brown, has been named by Gov. Davis to the Calif. PUC. Brown's replacement – named by S.F. Mayor Willie Brown, is Kimiko Burton-Cruz, daughter of CA Seante Pres. John Burton. Burton-Cruz is a former Asst. PD who now works in S.F. City Hall as head of the Mayor's Criminal Justice Office...

■ **BetterSchoolsforCA.org** – It's a website to help Calif. school districts win school bond measures under the new 55% limit imposed by the passage of Prop. 39. The website was designed and written by Goddard Claussen*Porter Novelli, the political consulting firm which managed the YES on 39 campaign...

■ **Calif. AAPC BOD** – The new American Assn. of Political Consultants (AAPC) Calif. Board of Directors includes Mitchell Englander, Matt Klink, Larry Levin, Mark Galanty, On dine Fortune and Shellie Clack – all from So. Calif. AAPC's northern Calif. Directors include Mark O'Hara, Kelley Moran, Connel Lindh, Bradford Senden, Don Organ and Susan Barnes...

CALPEEK'S NEW JOBS AND PERSONNEL NOTICES.

Editor's note: Here are some items to mark down in your notebook. We still have a ton of these announcements...

● A sad note: Marion Cerrell, mother of well known L.A. political consultant/pa exec Joseph R. Cerrell, died Jan. 28th after a brief illness. She was 90. She moved to L.A. with her late husband Sal in 1957. From the mid-1950s to the mid-1960s, Marion was the Executive Asst. to then Demo Assembly Speaker Jess Unruh. She also worked on the campaigns of Gov. Pat Brown ('66) and Hubert Humphrey ('68). She'll be missed by her many friends & family. R.I.P...

● Noelia Rodriguez, 42, former top aide to L.A. Mayor Richard Riordan, is now at the White House as press secretary to First Lady Laura Bush...

● Former Congressman Ron Parkard (R-Orange Co.) has joined the Escondido office of Dawson & Associates, a DC based govt. relations firm. Parkard will be a sr. advisor...

● A new name for LGD Insight, the Portland, OR polling firm: Grove Quirk Insight. Christine Quirk is now partnered with Lisa Grove Donovan...

● PR/media consultant Shelly Sullivan has left the Sacto office of Goddard Claussen to form her own firm at 8808 La Riviera Dr., #E, Sacto, CA 95826. (916)364-0431...

● IBM's new manager of Govt. Relations in San Jose is Devin F. Brown, former chief aide to Assemblyman Peter Frusetta. Need to reach Devin? (408)256-5059...

● Gov. Davis has appointed Larry Kosmont as a member of the L.A. Regional Water Quality Control Board. Kosmont is president & founder of the Kosmont.Companies...